120002468

INSTRUMENT PREPARED BY VIRGINIA GAS AND OIL BOARD ORDER RECORDED UNDER CODE OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING ELECTIONS, UNIT: VC-502913

DOCKET NO. VGOB 10/05/18-2704

(hereinafter "Subject Drilling Unit").

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on November 3, 2010, and recorded in Instrument # 100003104 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on November 17, 2010, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed EQT Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;

(b) The designated operator filed its affidavit of mailing dated June 28, 2012, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;

(c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated August 8, 2012, in accordance

with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;

(d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;

- (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank & Trust Company, Trust Division, 38 E. Valley Drive, Bristol, VA 24201, (276) 466-9222, Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
- 3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company, Trust Division, 38 E. Valley Drive, Bristol, VA 24201, (276) 466-9222, Attn: Debbie Davis, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
- 4. <u>Mailing of Order and Filing of Affidavit:</u> The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each person whose interest or claim is subject to escrow and whose address is known.
- 5. <u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
- 6. <u>Effective Date:</u> This Order shall be effective on the date of its execution.

DONE AND EXECUTED this kd day of Sept, 2012, by a majority of the Virginia Gas and Oil Board.

Chairman, Bradley C. Lambert

DONE AND PERFORMED this 18th day of Sept., 2012 by Order of this Board.

Rick Cooper
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA COUNTY OF RUSSELL

Acknowledged on this day of , 2017, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

Diane J. Davis Notary 174394

My commission expires: September 30, 2013



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of EQT Production Company, for Forced Pooling of Interests in Unit Number VC-502913 VGOB Docket No. VGOB-10/05/18-2704 in the Prater Magisterial District of Buchanan County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

- 1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
- 2. That the Order entered on November 3, 2010, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
- 3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
- 4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on November 17, 2010.
- 5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow as either unknown claiments or conflicting claiments under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

See Exhibit E

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims.

NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

See Exhibit B-3

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this <u>8th</u> day of <u>August</u>, 2012.

Afternt Afternt

State of Tennessee) County of Sullivan)

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of EQT Production Company, a corporation, on behalf of the corporation, this <u>8th</u> day of <u>August</u>, 2012.

Susan Peterson, Notary STATE OF TENNESSEE NOTARY PUBLIC NAN COUNTILITY

My commission expires: October 24, 2012.

SUPPLEMENT 'B' VC-502913

CREATED 05/27/2010

TRACT	LESSOR	LEASE STATUS	WITHIN UNIT	ACREAGE IN UNIT	
		GAS ESTATE ONLY			
1	Willard Newberry and Audrey Newberry, h/w 9591 Lovers Gap Rd Vansant, VA 24656-7765	Leased 243343	59.57000000%	34.9700	0.07446250 RI
	EQT Production Company				0.52123750 WI
Tract 1 Totals			59.57000000%	34.9700	0.59570000
2	Mary L. McGlothin 453 Farmland Drive Lebanon, VA 24266	Unleased	16.51000000%	9.6900	0.02063750 RI
	EQT Production Company				0.14446250 WI
Tract 2 Totals			16.51000000%	9.6900	0.16510000
3	Gallie Friend, Trustee Yellow Poplar Lumber Company Unknown/Unlocatable	Unleased	23.92000000%	14.0400	0.02990000 RI
	EQT Production Company				0.20930000 WI
Tract 3 Totals			23.92000000%	14.0400	0.23920000
	Total Gas Estate		100.00000000%	58.7000	1.00000000
	Percentage of Unit Leased Percentage of Unit Unleased		59.57000000% 40.43000000%		
	Acreage in Unit Leased Acreage in Unit Unleased			34.9700 23.7300	

COAL ESTATE ONLY

1	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889	59.57000000%	34.9700	0.07446250 RI
	EQT Production Company				0.52123750 W
Tract 1 Tot	als		0.59570000	34.9700	0.59570000
2	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889	16.51000000%	9.6900	0.02063750 RI
	EQT Production Company				0.14446250 W
Tract 2 Tot	als		0.16510000	9.6900	0.16510000
3	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T2-42	23.92000000%	14.0400	0.02990000 RI
	EQT Production Company				0.20930000 WI
Tract 3 Total	als		0.23920000	14.0400	0.23920000
	Total Coal Estate		100.0000000%	58.7000	1.0000000
	Percentage of Unit Leased Percentage of Unit Unleased		100.00000000% 0.00000000%		
	Acreage in Unit Leased Acreage in Unit Unleased			58.70000000 0.0000000	

EXHIBIT "B-3" VC-502913

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE IN UNIT
		Gas Estate Only		
2	Mary L. McGlothin 453 Farmland Drive Lebanon, VA 24266	Unleased	16.51000000%	9.6900
3	Gallie Friend, Trustee Yellow Poplar Lumber Company Unknown/Unlocatable	Unleased	23.92000000%	14.0400
	TOTAL GAS ESTATE		40.43000000%	23.7300

EXHIBIT "E" VC-502913

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE IN UNIT
		GAS ESTATE ONLY		
1	Willard Newberry and Audrey Newberry, h/w 9591 Lovers Gap Rd Vansant, VA 24656-7765	Leased 243343	59.57000000%	34.9700
2	Mary L. McGlothin 453 Farmland Drive Lebanon, VA 24266	Unleased	16.51000000%	9.6900
3	Gallie Friend, Trustee Yellow Poplar Lumber Company Unknown/Unlocatable	Unleased	23.92000000%	14.0400
	Total Gas Estate		100.00000000%	58.7000
		COAL ESTATE ONLY		
1	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889	59.57000000%	34.9700
2	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889	16.51000000%	9.6900
3	Range Resources-Pine Mountain, Inc. Attn: Jerry Grantham P.O. Box 2136 Abingdon, VA 24212	Leased 906889 T2-42	23.92000000%	14.0400
	Total Coal Estate		100.0000000%	58.7000

INSTRUMENT #120002468
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
OCTOBER 26, 2012 AT 01:56PM

BEVERLY S. TILLER, CLERK RECORDED BY: MXB

Hagy, Sharon (DMME)

From:

VITASHARE System [vitashare@vita.virginia.gov]

Sent:

Wednesday, November 14, 2012 1:52 PM

To:

Hagy, Sharon (DMME)

Subject:

New Transaction A6CTC5UGXCNWVWWJ-0006

Transaction details for Sharon Hagy(user shagy_1) _____

Job Id: A6CTC5UGXCNWVWWJ-0006

Date: Wed, Nov 14, at 13:51

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive data.

Recipient's Email example- user1@virginia.gov, user2@virginia.gov:

gloria.clark@dmme.virginia.gov, KKenny@eqt.com, Krudick@eqt.com, mbarbour@eqt.com,

mroyster@eqt.com, NAtkison@eqt.com, sep@wilhoitandkaiser.com

Message - Describe file attachment: Please see the recorded orders for the following

dockets: 2326-01 2590 2704 2734 Let me know if you are unable to download the files. Thanks, Sharon

Snaron

Notify me when the file is downloaded?: Yes

Pin: 953319

Files:

2326-01_Supplemental-Original.tif 2590_Supplemental-Original.tif 2704_Supplemental-Original.tif 2734_Supplemental-Original.tif

View details here

<http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=A6CTC5UGXCNWVWWJ>

Total Estimated File Size: 640 KB

Total Number of Files: 4

Estimated Upload Time: 00:00:54